

14 FAM 650 CLAIMS PROCEDURES

(CT:LOG-1; 05-27-2005)
(Office of Origin: A/LM)

14 FAM 651 SUBMITTING A CLAIM

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

- a. Employees shall submit claims in duplicate on Form DS-1620, Claim for Loss of or Damage to Private Personal Property. If claim forms are unavailable, a written statement will be accepted and considered as a claim if it asserts a demand for a certain sum, and substantially describes the facts to support a claim. See 14 FAM 653 for the specific evidence required for particular classes of claims. Adjudication of claims will be expedited by the submission of all required evidence with the original claims.
- b. **State employees:** All claims covered by these regulations should, if practicable, be submitted by the claimant or claimant's authorized agent to the appropriate officer of the post where the claimant was assigned at the time the claim accrued. If submission under the foregoing circumstances is impracticable, the claim may be submitted directly to:

Transportation and Travel Management Division Claims Section
A/LM/OPS/TTM/CL (Room 1245 HST)
Department of State
Washington, DC 20520
- c. **USAID employees:** All claims covered by these regulations should, if practicable, be submitted by the claimant or claimant's authorized agent to the USAID executive officer of the post where the claimant was assigned at the time the claim accrued. If in the United States or if submission under the foregoing circumstances is impracticable, the claim may be submitted directly to:

USAID Travel and Transportation Division
M/AS/TT-ATTN Claims Officer
Room 2.09B - Reagan Building
1300 Pennsylvania Avenue, NW
Washington, DC 20523-0006
- d. **Intent to file:** In situations where household effects and/or air freight are turned over to an employee by the U.S. Government or a contract

packer and/or moving or storage company and a complete claim cannot be filed within 75 calendar days, a claimant must submit a letter or memorandum stating that the claimant intends to file such a claim. All potential losses and/or damages must be itemized in a letter of intent (LOI). The LOI is sent to the Claims Office and must bear a postmark, which is within 75 calendar days of the accrual date. (NOTE: Any damage to a privately owned vehicle (POV) must be noted on the delivery receipt immediately upon delivery. The 75-calendar daytime limitation does not apply in the case of a damaged POV.)

- e. **State and USAID employees' fast-track claims:** Completely documented claims that are under \$1,000.00 will be adjudicated and processed for approval, within five (5) working days. Claims against an insurer must be settled prior to being filed under the fast-track process. All settlements will be made by electronic funds transfer (EFT) or by U.S. Treasury check.

14 FAM 652 ADJUDICATING CLAIMS

14 FAM 652.1 Processing Claims

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

- a. **State:** The Personal Property Claims Office (A/LM/OPS/TTM/CL), Department of State, considers, adjusts, and makes advisory determinations on claims authorized under these regulations, including recommendations as to the amount of reimbursement to be paid.
- b. **USAID:** USAID Travel and Transportation Division, M/AS/TT, directly administers claims.

14 FAM 652.2 Final Approval and Payment

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

On completion of action by the respective office, claims are submitted to the approving authority designated by the head of the agency concerned for final approval or disapproval.

14 FAM 653 GENERAL INSTRUCTIONS FOR EVIDENCE IN SUPPORT OF CLAIM

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

In addition to the evidence and information required on the claim form, the following evidence should be furnished when applicable and available:

- (1) Copy of travel orders assigning claimant to the post and/or authorizing shipment of property;
- (2) Corroborating statement(s) from person(s) who have personal knowledge of the facts concerning the claim;
- (3) Receipts, canceled checks or other documentation showing acquisition;
- (4) Statement concerning any insurance coverage and reimbursement obtained from the insurer. The statement should describe the type of insurance and coverage and give the insurer's name. If the claimant has insurance and had not submitted a claim, the failure to do so must be explained; and
- (5) Photographs or a videotape in any case where such would support the claim.

14 FAM 654 FACTORS IN DETERMINING COMPENSATION

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

Compensation allowable for an item of personal property should not exceed the actual value of the item at the time of its loss, damage, or destruction. Value will normally be determined according to one of the following general principles, whichever appears most appropriate:

- (1) To arrive at the replacement value of an item, the rate of inflation as determined by the Bureau of Labor Statistics, U.S. Department of Labor, will be used. Annually, the claims office will update the inflation table based upon the Commodities Less Food Index to determine the rate of inflation for the previous year;
- (2) In most cases, the value at the time of loss, damage, or destruction should be the acquisition cost of the item plus a factor that reflects changes in the purchase power of the U.S. dollar;

- (3) Depreciation in value of an item is determined by considering the type of article involved, its condition when lost or damaged, and the time elapsed between the date of acquisition and the claim's accrual date. Rate of depreciation is applied to the allowable replacement value, but:
 - (a) In determining the appropriate claims payment for items such as audio and video equipment and jewelry, whose prices over time have varied significantly from the Consumer Price Index, claims adjudicators will consider current replacement cost of similar "in-kind" items, adjusted accordingly within established depreciation procedures;
 - (b) No depreciation is to be charged against hard-type goods during periods of storage authorized by the Department of State, or USAID;
 - (c) Depreciation at one half the normal rate will be applied to "soft-type" goods during periods of storage authorized by the Department of State or USAID;
 - (d) No depreciation is to be taken in excess of 75 percent of the value of an item at the time of its acquisition;
 - (e) No depreciation will be taken on a firearm if it is of a type that would normally increase in value;
 - (f) No depreciation will be taken on antique furniture or expensive solid wood furniture, such as cherry, walnut, teak, rosewood, oak, etc., except for replacement of fabric;
 - (g) No depreciation will be taken on sterling silver items;
 - (h) No depreciation will be taken for expensive jewelry made substantially of gold, silver, or other precious metals or gems; and
 - (i) No depreciation will be taken on wedding albums;
- (4) A destroyed item is one which cannot actually be repaired at any cost or one for which the cost of necessary repairs exceeds the value of the item at the time of damage. The compensation normally allowable for a destroyed item is the actual value of the item at the time of destruction. However, if an item has not been totally destroyed and any part thereof remains useful and has a salvage value, and the claimants will retain that part, the allowance for that item will be the value at the time of destruction less the ascertained value of the salvaged part;
- (5) No allowance will be made for appreciation in the value of property;

(6) Allowance for damaged property:

- (a) The compensation normally allowable for damaged property is the cost of the repairs necessary to restore the property to its condition prior to the damage. Cost of repair of preexisting damage is not provided;
- (b) Allowance for repair or replacement of a component part, which normally requires replacement during the useful life of the item involved, will be the actual replacement cost of the part involved less any depreciation on the part being replaced;
- (c) In the event partial damage to an item or any part thereof necessitates the repair of the entire item, allowance is permitted for repairing the entire item less any depreciation applicable;
- (d) Evidence to substantiate cost of repairs such as an itemized receipt bill of repair for damaged property which has been repaired, or at least one written estimate of the cost of repairs from a competent bidder, merchant, commercial outlet, etc., if the property is economically repairable and had not been repaired;

(7) Motor vehicle claims:

- (a) The allowable compensation for a lost or destroyed privately owned vehicle normally will be its actual value at the time of a loss, less salvage, if any. That value is normally the market price of the vehicle at the time of loss. The value will be determined from the National Automotive Dealer Association (NADA) Used Car Guide for the East Coast. **For USAID:** If the car was purchased abroad, compensation is based on the country of purchase. NADA Used car equivalent or resale value in country of assignment where the car was stolen, destroyed or damaged. This refers to vehicles originally purchased abroad that are foreign made;
- (b) Compensation for property left in a privately owned vehicle when that vehicle is shipped at U.S. Government expense, which is lost, damaged, or destroyed is limited to normal vehicular tools, which are defined as those necessary to perform minor automotive repairs.

14 FAM 655 SPECIFIC CLASSES OF CLAIMS

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

Claims of the following types should, if possible, be accompanied by the specific and detailed evidence listed below.

14 FAM 655.1 Property Losses at Quarters or Other Authorized Places

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

For property losses at quarters or other authorized places, provide a statement indicating:

- (1) Geographical location;
- (2) Whether quarters were assigned or provided in kind or reimbursed by the U.S. Government;
- (3) Whether quarters are regularly occupied by the claimant;
- (4) Names of competent authority who authorized the place of storage of the property, if other than quarters; and
- (5) Measures taken to protect the property.

14 FAM 655.2 Theft

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

For cases of theft, provide the following:

- (1) Copy of travel authorization assigning claimant to post;
- (2) Copy of report by post security officer;
- (3) Copies of police report and results of investigations;
- (4) A statement indicating facts and circumstances surrounding the loss, including precise location of the property prior to the loss, evidence of larceny, burglary, or housebreaking; capture of the thief, recovery of part of the stolen goods, etc.; and
- (5) Evidence that the claimant exercised due care in protecting the property prior to the loss. Consideration will be given to the degree of care normally exercised in the locale of the loss due to any unusual risks involved.

14 FAM 655.3 Transportation Losses

(CT:LOG-1; 05-27-2005)

(Uniform State/USAID)

Claims should include:

- (1) Copy of orders authorizing the travel, transportation, storage, or shipment of the property;
- (2) Copy of all bills-of-lading, delivery receipts, and inventories of property shipped and/or stored;
- (3) Copy of demand on carrier or insurer or, both, and replies;
- (4) For missing property, statement indicating action taken to locate missing property, with related correspondence;
- (5) In cases where property was turned over to the U.S. Government or a contract packer, provide:
 - (a) Names or designation of individual or company;
 - (b) Date property was turned over;
 - (c) Condition of the property when it was turned over;
 - (d) When and where property was packed and by whom;
 - (e) Date of shipment and reshipment;
 - (f) Copies of all manifests, bills-of-lading, and contracts;
 - (g) Date and place of delivery to claimant;
 - (h) Date property was unpacked;
 - (i) Statement of disinterested witnesses as to condition of property when received and delivered, or as to handling and storage;
 - (j) Information on whether the negligence of any U.S. Government employee acting within the scope of employment caused the damage or loss;
 - (k) Information on whether the last common carrier or local civilian carrier was given a clear receipt;
 - (l) Indication that item was listed as a "high-value object, if appropriate; and
 - (m) Repair estimate.

14 FAM 655.4 Marine, Aircraft, or Other Public Conveyance Accidents

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

A copy of travel authorization or other evidence to establish the claimant's right to be, or to have property on board.

14 FAM 655.5 Enemy Action, Public Disaster, Public Service, Abandonment or Evacuations

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

Claims should include, in addition to support documentation outlined in 14 FAM 653.1:

- (1) Privately owned vehicle (POV) registration and/or proof of ownership and proof of options on POV being claimed;
- (2) Packing inventories to post;
- (3) Packing inventories from bulk food orders for post commissary or for individual consumables shipments;
- (4) Copy of claim made against insurance or certification from insurance company that loss is not covered under war clause exclusion, etc.;
- (5) Statement of a disinterested U.S. Government employee verifying ownership of items claimed. Other examples to prove ownership are photographs, video tapes, etc; and
- (6) Substantiation of amounts being claimed. Examples of substantiation of amount claimed are credit card statements, mail order statements, receipts from place of purchase, or appraisals. (Please note that the U.S. Government does not reimburse appraisal fees.)

14 FAM 655.6 Property Used for Benefit of U.S. Government

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

A statement from a proper authority that the property was being used, or held for use, by official direction or request. (See 14 FAM 645.6.)

14 FAM 655.7 Tandem Couples

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

The maximum amount payable by law and the Tables of Maximum Amounts Allowable in 14 FAM Exhibit 646.2A and 14 FAM Exhibit 646.2B apply to each employee and the personal property shipped in accordance with her or his individual travel authorization. Therefore, tandem couples are cautioned to consider shipment of their personal property separately. To do so may reduce potential financial losses imposed by such limits because the property of both was shipped in accordance with the travel orders of one spouse only.

14 FAM 656 WAIVER OF REQUIRED EVIDENCE

(CT:LOG-1; 05-27-2005)
(Uniform State/USAID)

All or any of the evidence specified in 14 FAM 653, 14 FAM 654, and 14 FAM 655, may be waived in instances where the claim appears otherwise reasonable and proper and the obtaining and submission of such evidence would be unduly costly or time-consuming in relation to the amount of the claim.

14 FAM 657 THROUGH 659 UNASSIGNED